TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

Minutes September 17, 2008 1:30 p.m.

ADDENDUM

T.C.A. §57-3-207 allows Tennessee wineries to provide complimentary samples for tasting at the winery if such winery uses certain percentages of agricultural products produced in Tennessee in its wine production. This same statute provides that wineries may request a waiver of the requirement to use Tennessee agricultural products if the commissioner of agriculture certifies that the source or sources of Tennessee agricultural products anticipated by the requesting winery will not be available in whole or in part for some reason which the winery had no control. To qualify for the waiver, the winery must have filed statements and/or contracts with the TABC on or before June 15 of the current year indicating what products the winery anticipates using in its production. If the waiver is granted, then the winery may obtain product from out-of-state for use in producing its wine.

The Tennessee Department of Agriculture has provided certification to the TABC that the following varieties of grapes are not available from Tennessee producers:

Alwood, Baco Noir, Cabernet, Cabernet Franc, Cabernet Sauvignon, Campbell's Early, Catawba, Cayuga, Chambourcin, Chancellor, Chardonelle, Chardonnay, Concord, Cynthiana, Foch, Gewurztraminer, Golden Muscat, Ives, Merlot, Muscadine, Niagara, Peite Verdot, Pinot Gris, Riesling, Sangiovese, Sauvignon Blanc, Seyval Blanc, Shiraz, Steuben, Sunbelt, Syrah, Traminette, Vidal, Viognier.

The Tennessee Department of Agriculture further certifies that the following other fruits are insufficient in quantity in Tennessee:

Apple, Blackberry, Blueberry, Cherries, Honey, Peach, Raspberry, Rhubarb, Strawberry

The following wineries timely filed contracts and/or statements with the TABC and have requested the J-6 waivers:

A. Apple Barn Winery (Sevierville, Tennessee)

Apple Barn Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Concord (10 tons), Red Raspberry (20 tons), Strawberry (15 tons), Peach (15 tons); Apple (30 tons); and Muscadine (20 tons)

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

B. Arrington Vineyards (Arrington, Tennessee)

Arrington Vineyards requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Syrah (10 tons); Viognier (5 tons); Chambourcin (12 tons); Traminette/Gewurztraminer (14 tons); Cabernet Sauvignon (10 tons); Petit Verdot (2 tons); Sangiovese (19 tons); Chardonnay (17 tons); and Raspberries (1700 gallons).

**Arrington has also requested that Petit Syrah be allowed as a substitute for the Chambourcin if it is not available out-of-state; however, the Department of Agriculture has not certified this type as unavailable.

Discussion/Action Taken:

Director Elks stated that Mr. Kip Summers had originally requested that Petit Syrah be increased from 10 tons to 11 tons. Director Elks stated to Mr. Summers that one of the items that he had requested as a substitute if Chambourcin is not available will be substituted; however, that grape was not on the list. As a result, Mr. Summers also requested that the Syrah grapes as listed first on the addendum, be increased from 10 tons to 11 tons; that Cabernet Sauvignon be increased from 10 tons to 14 tons; 2,600 gallons of Chardonnay be approved; 1,750 gallons of raspberry juice be approved; 1,840 gallons of Reisling juice be approved; 3.5 tons of Merlot be approved, in addition to the Chambourcin, Traminette, Petit Verdot, Sangiovese and Chardonnay in the appropriate amounts also be approved. Director Elks recommended the approvals.

Commissioner Bond made a motion to accept the grapes/fruits as stated by Director Elks. Commissioner Mathews seconded the motion and it was approved with 3 ayes.

C. Beachaven Vineyards and Winery (Clarksville, Tennessee)

Beachaven Vineyards and Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Cabernet Sauvignon (9 tons), Chardonnay (990 gallons), Muscadine (7582 gallons), Gewurztrminer/Traminette (1100 gallons), Syrah (15 tons); Merlot (9 tons); Riesling (18.5 tons); Viognier (1650 gallons); Sangiovese (1120 gallons); Chambourcin (1600 gallons); Seyval (1000 gallons); Vidal (1000 gallons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

D. Chestnut Hill Winery (Crossville, Tennessee)

Chestnut Hill Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Concord (1650 gallons); Muscadine (1500 gallons); Niagara (1100 gallons); Catawba (1100 gallons); Chardonnay (1100 gallons); Cabernet Sauvignon (1100 gallons); Reisling (1100 gallons); Chambourcin (1100 gallons); Seyval Blanc (1100 gallons); and Cayuga White (1100 gallons).

**It should be noted that Chestnut Hill Winery did not submit any grape contracts because they have no processing equipment at the winery, and are unable to purchase any due to finances.

Discussion/Action Taken:

Director Elks stated that wineries usually do not submit contracts because they are a vineyard. Director Elks is not aware if Chestnut Hill is a vineyard or not. Chairman Jones requested that Director Elks interview the winery and contact the Tennessee Department of Agriculture and see if Chestnut Hill Winery is a vineyard and report to the Chairman the outcome of such.

Commissioner Mathews made a motion to have Director Elks contact Tennessee Department of Agriculture, interview the winery and make appropriate action. Commissioner Bond seconded the motion and it was approved with 3 ayes.

E. Century Farm Winery (Jackson, Tennessee)

Century Farm Winery requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Cayuga White (550 gallons); Traminette (275 gallons); Vidal (550 gallons); Chambourcin (275 gallons); and Blackberry (275 gallons).

**Century Farm Winery has also requested a J-6 waiver for 550 gallons of Corot Noir; however this type has not been certified as unavailable by the Department of Agriculture.

Further, it should be noted that Century Farm did not submit any grape contracts to the TABC as required by statute.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Cayuga White, Traminette, Vidal, Chambourcin and Blackberry. However, Director Elks stated that Corot Noir be denied as that has not been certified as unavailable by the Department of Agriculture. Director Elks stated that Century Farm Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the remaining grape brands; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Chairman Jones made a motion to deny the J-6 Waiver for Corot Noir and to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Bond seconded the motion and it passed with 3 ayes.

F. Grinder's Switch Winery (Centerville, Tennessee)

Grinder's Switch Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Muscadine (1500 gallons); Cayuga (1000 gallons); Concord (1000 gallons); Niagra (500 gallons); and Chambourcin (500 gallons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

G. Highland Manor (Jamestown, Tennessee)

Highland Manor requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

White Reisling (1320 gallons), Concord (2200 gallons), and Niagra (550 gallons); Seyval Blanc (550 gallons); Cayuga White (1100 gallons); Chardonnay (1000 gallons) and Foch (550 gallons)

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

H. Holly Ridge Winery and Vineyard (Livingston, Tennessee)

Holly Ridge Winery and Vineyard requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Cabernet (1 ton), Concord (800 gallons), Riesling (260 gallons), Chardonnay (60 gallons); Syrah (1 ton); Gewurztraminer (260 gallons); Seyval Blanc (300 gallons); Cayuga White (300 gallons); and Chambourcin (120 gallons).

**Holly Ridge Winery and Vineyard has also requested a J-6 waiver for 120 gallons of Dechaunac; however, this type grape has not been certified as unavailable by the Department of Agriculture.

Further, it should be noted that Holly Ridge did not submit any grape contracts to the TABC as required by statute.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Cabernet (1 ton), Concord (800 gallons), Riesling (260 gallons), Chardonnay (60 gallons); Syrah (1 ton); Gewurztraminer (260 gallons); Seyval Blanc (300 gallons); Cayuga White (300 gallons); and Chambourcin (120 gallons). However, Director Elks stated that Dechaunac be denied as that has not been certified as unavailable by the Department of Agriculture. Director Elks stated that Holly Ridge Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the remaining grape brands; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Commissioner Mathews made a motion to deny the J-6 Waiver for Dechaunac and to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Bond seconded the motion and it passed with 3 ayes.

I. Keg Springs Winery (Hampshire, Tennessee)

Keg Springs Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Concord (2000 gallons), Muscadine (2000 gallons), Niagara (600 gallons); Vidal (4000 gallons); and Cayuga (1100 gallons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

J. Long Hollow Winery (Goodlettsville, Tennessee)

Long Hollow Winery requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Chancellor (1100 gallons); Concord (550 gallons); Pinor Gris (550 gallons) and Niagara (550 gallons).

**Long Hollow Winery has also requested a J-6 waiver for 550 gallons of Rougheon; however, this type grape has not been certified as unavailable by the Department of Agriculture.

It should also be noted that the TABC has not received grape contracts from Long Hollow as is required by T.C.A. §57-3-207.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Chancellor (1100 gallons); Concord (550 gallons); Pinor Gris (550 gallons) and Niagara (550 gallons). However, Director Elks stated that Rougheon be denied as that has not been certified as unavailable by the Department of Agriculture. Director Elks stated that Long Hollow Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the remaining grape brands; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Commissioner Bond made a motion to deny the J-6 Waiver for Rougheon and to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Mathews seconded the motion and it passed with 3 ayes.

K. Tennessee Mountainview Winery (Charleston, Tennessee)

Tennessee Mountainview Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

White Riesling (110 gallons); Catawba (500 gallons); Niagara (500 gallons) and Concord (2000 gallons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

L. Mountain Valley Vineyards (Pigeon Forge, Tennessee)

Mountain Valley Vineyards requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Blackberry (40 tons), Concord (40 tons), Cayuga (20 tons), Muscadine (40 tons); and Chardonnay (40 tons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

M. Old Medina Winery (Jackson, Tennessee)

Old Medina Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Niagara (4400 gallons), Cynthiana (5500 gallons), Cabernet Savignon (550 gallons), Muscadine (3300 gallons), Merlot (550 gallons); and Stuben (1100 gallons).

**It should be noted that the TABC has not received grape contracts from Old Medina Winery as is required by T.C.A. §57-3-207. The winery stated that its vineyards were immature and will not produce.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Niagara (4400 gallons), Cynthiana (5500 gallons), Cabernet Savignon (550 gallons), Muscadine (3300 gallons), Merlot (550 gallons); and Stuben (1100 gallons).

Director Elks stated that Old Medina Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the J-6 Waiver; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Commissioner Mathews made a motion to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Bond seconded the motion and it passed with 3 ayes.

N. Ocoee Winery (Cleveland, Tennessee)

Ocoee Winery requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Merlot (500 gallons); Red Muscadine (8000 gallons); Shiraz (500 gallons); Chardonnay (500 gallons).

**Ocoee Winery has also requested a J-6 waiver for 500 gallons of Zinfandel; however, this type grape has not been certified as unavailable by the Department of Agriculture.

Discussion/Action Taken:

Director Elks recommended the J-6 Waiver for Ocoee Winery with the exception of Zinfandel as it has not been certified the Tennessee Department of Agriculture as being unavailable. Commissioner Mathews made a motion to approve the J-6 Waiver with the exception of Zinfandel. Commissioner Bond seconded the motion and it was approved with 3 ayes.

O. Old Millington Vineyard and Winery (Millington, Tennessee)

Old Millington Vineyard and Winery requests a J-6 waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Muscadine (2000 gallons); Chambourcin (500 gallons); and Vidal (2000 gallons).

**It should be noted that Old Millington Vineyard and Winery has not submitted grape contracts to the TABC pursuant to T.C.A. §57-3-207. The winery has stated that it cannot find sufficient quality fruit in Tennessee that is chilled and pressed for its production.

Discussion/Action Taken:

Director Elks stated that she recommends approval for Muscadine (2000 gallons); Chambourcin (500 gallons); and Vidal (2000 gallons).

Director Elks stated that Old Millington Vineyard and Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the J-6 Waiver; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Commissioner Bond made a motion to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Mathews seconded the motion and it passed with 3 ayes.

P. Paris Winery (Paris, Tennessee)

Paris Winery requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Cabernet (5 tons); Merlot (5 tons); Syrah (3 tons); Chardonnay (2 tons); and Blackberries (2 tons).

**Paris Winery has also requested a J-6 waiver for 3 tons of Zinfandel; however, this type grape has not been certified as unavailable by the Department of Agriculture.

Discussion/Action Taken:

Director Elks recommended the J-6 Waiver for Paris Winery with the exception of Zinfandel as it has not been certified the Tennessee Department of Agriculture as being unavailable. Commissioner Mathews made a motion to approve the J-6 Waiver with the exception of Zinfandel. Commissioner Bond seconded the motion and it was approved with 3 ayes.

Q. Smoky Mountain Winery (Gatlinburg, Tennessee)

Smoky Mountain requests a J-6 waiver for the following products, all but two of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Riesling (600 gallons); Chambourcin (600 gallons); Carlos Muscadine (6000 gallons.

**Smoky Mountain Winery has also requested a J-6 waiver for 1100 gallons of Leon Millot and 600 gallons of Chenin Blanc; however, these grapes have not been certified as unavailable by the Department of Agriculture.

It should be further noted however, that Smoky Mountain Winery has not submitted grape contracts to the TABC pursuant to T.C.A. §57-3-207.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Riesling (600 gallons); Chambourcin (600 gallons); Carlos Muscadine (6000 gallons).

However, Director Elks stated that Leon Millot and Chenin Blanc be denied as they have not been certified as unavailable by the Department of Agriculture.

Director Elks stated that Smoky Mountain Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the J-6 Waiver; she recommended that the Commission assess a fine of \$250.00 for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Chairman Jones made a motion to deny the J-6 Waiver for Leon Millot and Chenin Blanc and to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Bond seconded the motion and it passed with 3 ayes.

R. Sumner Crest Winery (Portland, Tennessee)

Sumner Crest Winery requests a J-6 waiver for the following products, all but one of which has been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Concord (2000 gallons), Merlot (6 tons), Riesling (550 gallons), Vidal Blanc (750 gallons), Seyval Blanc (550 gallons), Chambourcin (750 gallons), Blackberries (1100 gallons); Chardonnay (5 tons); Niagara (5 tons); Cabernet Sauvignon (6 tons); and Catawba (1300 gallons).

**Sumner Crest Winery has also requested 5 tons of Fredonia; however, this variety of grape has not been certified by the Department of Agriculture as unavailable.

Discussion/Action Taken:

Director Elks stated that she recommends approval for the Concord (2000 gallons), Merlot (6 tons), Riesling (550 gallons), Vidal Blanc (750 gallons), Seyval Blanc (550 gallons), Chambourcin (750 gallons), Blackberries (1100 gallons); Chardonnay (5 tons); Niagara (5 tons); Cabernet Sauvignon (6 tons); and Catawba (1300 gallons).

However, Director Elks stated that Fredonia be denied as they have not been certified as unavailable by the Department of Agriculture.

Director Elks stated that Sumner Crest Winery did not submit any contracts as required by the statute. Director Elks stated that prior to approval for the J-6 Waiver; she recommended that the Commission assess a fine of \$250.00

fine for failure to submit contracts or an adequate explanation as to why the contracts were not submitted.

Commissioner Bond made a motion to deny the J-6 Waiver for Fredonia and to allow the staff to issue a citation for \$250.00 fine with the discretion to withdraw the citation if a satisfactory reason is given. Commissioner Mathews seconded the motion and it passed with 3 ayes.

N. Tennessee Valley Winery (Loudon, Tennessee)

Tennessee Valley Winery requests a J-6 Waiver for the following products, all of which have been certified by the Tennessee Department of Agriculture to be unavailable from Tennessee producers:

Concord (1000 gallons), Blackberries (1500 gallons), Riesling (1100 gallons), Cabernet (2 tons), Merlot (2 ton), Chardonnay (250 gallons); Sauvignon Blanc (500 gallons); Syrah (4 tons); and Peaches (500 gallons).

Discussion/Action Taken:

Commissioner Mathews made a motion to approve the J-6 Waiver. Commissioner Bond seconded the motion and it was approved with 3 ayes.

John A. Jones	Shari Danielle Elks
	Executive Director